



Thomas G. Snead, Jr.
Chairman of the Board and
Chief Executive Officer

April 30, 2002

Dear Member:

Trigon has announced plans to become part of Anthem, Inc., one of the country's most respected health plans, representing eight other Blue Cross plans nationally and approximately 8 million members. Together, our two organizations will represent more than 10 million members and nearly 20,000 employees, making us the fifth largest health plan in the country. Trigon will lead Anthem's newly created Southeast region.

I want to assure all customers that our commitment to delivering dependable health care coverage and hassle-free service will not change following our affiliation with Anthem. Indeed, it is an opportunity for Trigon to share its many best practices within a larger organization, while gaining access to more resources to build a stronger health plan to serve you and the surrounding Southeast and Mid-Atlantic region. Anthem's well-developed and successful approach to integration offers strong assurance that you should expect seamless service as this partnership is finalized.

Anthem and Trigon are joining together because we share common goals and culture. Like Trigon, Anthem is focused on quality and service with a "customer first" approach to business. Our new partner has been a high-achieving, well-performing company and brings strong management and employee talent and operational excellence to the table. Our combined financial strength and expertise will enable us to deliver greater value to customers in the future.

For our part, Trigon has gained national recognition as one of the best-run health plans in the country, a key reason for Anthem's interest in merging with us. The larger Anthem organization will now have access to a variety of our many industry-leading best practices and initiatives. These include disease management, mental health, service technology, individual and small group product expertise, focused sales and marketing programs and medical management innovations.

Because both Anthem and Trigon recognize the local nature of health care, leadership and operations for Virginia will remain in Virginia, under my direction. The people who sell, service and make the health care decisions will continue to serve you here in Virginia. However, we will be able to spread some of the overhead for other things – such as HIPAA, eBusiness, systems investments – over 10 million members rather than 2 million, achieving economies of scale and savings that are not possible today.

We expect that our agreement with Anthem will be finalized within the next three to six months. In the meantime, please do not hesitate to call us toll-free at 1-877-332-8195 should you have any questions.

We look forward to continuing to serve your health care coverage needs.

Sincerely,